

MINUTES - EMPLOYEE INSURANCE AND PENSION BENEFITS COMMITTEE

November 19, 2012

- 1) Call to Order: Chairperson Clarke Castelle called the meeting to order at 7:00 p.m. in Conference Room 2 (meeting was moved from the Helen Nelson Conference Room).
- 2) Roll Call: Members Present: Clarke Castelle, Beth DelBuono, Jon Kehl, Jane Ancona Siegel (left at 7:20), Terrence Sullivan (arrived at 7:05), David Tatem and Mike Wilbur
Members Absent: Jay Krusell

Staff Present: A. Harter, C. Drzata and L. Jachimowicz (arrived at 7:35)

Others present: M. Shegoski, A. Martella, D. McCluskey
- 3) Minutes: Jon Kehl made a motion to accept the minutes of the April 9, 2012 and July 23, 2012 meetings. Mike Wilbur seconded. The motion was passed unanimously.
- 4) Public Participation: None
- 5) Lockton: Dave McCluskey reported that through the first four months of the 2012-13 plan year the total plan is running well with a positive margin of \$499,422. The Town has a positive margin of \$16,978 and the Board of Education has a positive margin of \$482,443. Dave also reported that there are no large claims exceeding the \$175,000 stop loss amount. Mr. McCluskey noted that there was a large claim that exceeded the \$150,000 stop loss in the previous plan year which generated claims and credits overlapping into the current plan year. Anthem will revise the 2011-12 settlement report so that the 2012-13 plan year will reflect the true claim numbers. Discussion followed on the Aggregate Stop Loss monthly rolling cap provision. Dave McCluskey will verify that this provision is included in the contract with Anthem.

OPEB: Ashley Martella reviewed the OPEB investment performance. The returns for the quarter ending September 30, 2012 were 5.18% above the benchmark of 4.58%. The committee requested long term data for the investment managers. Marc Shegoski will provide 3, 5 and 10 year data at the next meeting.

UBS: Marc Shegoski presented a summary of the market and economic outlook. Ashley Martella reviewed the 3rd quarter Pension Fund Performance summary. The returns for the 3rd quarter were 4.80% ahead of the benchmark of 4.65%. The individual investment managers were reviewed. UBS recommended that the Town change the international overseas equity portfolio manager and reviewed alternative managers with the committee. Jon Kehl made a motion to move the international overseas equity portfolio from Brandes Investment of 16% to American Funds EuroPacific at 8% and Thornburg International Value at 8% as recommended by UBS. Terrence Sullivan seconded the motion. The motion passed unanimously.
- 6) Next Meeting: Date to be determined.
- 7) Adjournment: Terrence Sullivan made a motion to adjourn, seconded by Michael Wilbur. The motion passed unanimously. The meeting adjourned at 8:40 p.m.

Respectfully submitted,

Charlene J. Drzata
Insurance & Benefits Administrator